Definition, Source, and Method of Calculating Factors for Within State Allocations of PY 2005-06 Workforce Investment Act (WIA) Funds

DISLOCATED WORKER ACTIVITIES

	TOTAL UNEMPLOYMENT	CONCENTRATED UNEMPLOYMENT	LONG TERM UNEMPLOYMENT	MASS LAYOFF STATISTICS
CalWIA PLAN PROVISIONS and WIA 1998 LAW Chapter 5, SEC.133(b)(2)(B)(ii)	Twenty-five percent based on the number of unemployed individuals in LWIA in comparison to the total unemployed in all LWIAs in the State.	Twenty-five percent based on the local area share of concentrated unemployment.	Twenty-five percent based on long-term unemployment, which is determined by the percentage of Unemployment Insurance (UI) claimants drawing 15 weeks or more of benefits and multiplying this by the total unemployed in the local area	Twenty-five percent based on plant closing and mass layoff data. This data is determined by the percentage of mass layoff UI claimants drawing benefits, multiplied by the total UI claimants in the local area.
DEFINITION	Persons 16 years and over who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.	**The product of: [b]** 1) the sum of unemployment rates across all census tracts within the LWIA, **and** 2) the sum of persons unemployed in all census tracts within the LWIA. (i.e. total LWIA unemployment)	**The product of:** **1)** percentage of all Unemployment Insurance (UI) claimants residing with the LWIA who drew 15 weeks or more of benefits in a calendar year, **and** **2)** total number of unemployed persons in the LWIA.	**The product of:** **1)** the number of new and additional UI claims resulting from of a confirmed mass layoff event as defined by BLS for the Mass Layoff Statistics (MLS) Program, **and** **2)** total number of UI claimants in the LWIA.
TIME PERIOD In every case, factors are based on the most current data available in time to meet legislatively-mandated allocation milestones.	**Unemployment:** **Generally**, average of estimates for the 24-months ending in December of the year before the first calendar year of the upcoming program year. All data are on the benchmark effective at the time of the release of December estimates, which is March of the preceeding year. **PY 2005-06**, average of estimates for 24-months ending December 2004 (final), March 2003 benchmark as adjusted by BLS. **[a]**	**Unemployment and unemployment rate:** Average of estimates for the 24-months ending in December of the year before the first calendar year of the upcoming program year. All data are on the benchmark effective at the time of the release of December estimates; the benchmark date is March of the preceding year. **PY 2005-06**, average of estimates for 24-months ending December 2004 (final), March 2003 benchmark as adjusted by BLS. **[a]**	**Unemployment:** Average of estimates for the 24-months ending in December of the year before the first calendar year of the upcoming program year. All data are on the benchmark effective at the time of the release of December estimates; the benchmark date is March of the preceding year. **PY 2005-06**, average of estimates for 24-months ending December 2004 (final), March 2003 benchmark as adjusted by BLS. **[a]**	**Mass layoff statistics** Total verified claims during the two calendar years prior to the first calendar year of the upcoming program year. **PY 2005-06**, calendar years 2003 and 2004.
	Population: The census on which official labor force estimates for sub county areas are based. **PY 2005-06**, 2000 Census	**Census tract boundaries:** The census on which official labor force estimates for sub county areas are based. **PY 2005-06**, 2000 Census	**UI claimants by duration:** The two calendar years prior to the calendar year of the first half of the program year. **PY 2005-06**, calendar years 2003 and 2004.	**UI claimants:** The two calendar years prior to the calendar year of the first half of the program year. **PY 2005-06**, calendar years 2003 and 2004.
METHODS	**Unemployment** Official methods set out by the U.S. Bureau of Labor Statistics. Varies by type of geography. (See appendix.)	**Unemployment and unemployment rate** Official methods set out by the U.S. Bureau of Labor Statistics. Varies by type of geography. (See appendix.)	**Unemployment** Official methods set out by the U.S. Bureau of Labor Statistics. Varies by type of geography. (See appendix.)	**Unemployment:** Official methods set out by the U.S. Bureau of Labor Statistics. Varies by type of geography. (See appendix.)
			Ratio of long-term claimants: **1.** A 20 percent sample is drawn from the UI Single Client Database (SCDB) by selecting claimants whose social security number ends in 0 and 5. Each file record represents one claimant and includes the zip code where benefit checks were mailed and the total number of weeks for which UI benefits were paid during the calendar year. **2.** Each claim is assigned an LWIA code using the mailing zip as a proxy for place of residence. **3.** The number of claimants and long-term claimants are counted by LWIA. The count from one calendar year is added to the count from the previous year. **4.** The two-year, long-term claimant count is divided by two-year total claimant count by LWIA, resulting in a percentage.	**Claimants resulting from mass layoffs** **1.** The Mass Layoff Statistics (MLS) program maintains a database of the social security numbers (SSN) of persons affected by confirmed mass layoff events. **2.** Benefit records for these SSNs are extracted from the SCDB, including the mailing zip code. **3.** Each record is assigned an LWIA code using the mailing zip as a proxy for place of residence.
Source of Data	**1.** Official labor statistics as of August 2004. **2.** 2000 Census, Summary File 3, P Tables.	**1.** Unpublished labor statistics as provided by BLS in January 2005. **2.** 2000 Census, Summary File 3, P Tables.	1. Unemployment Insurance Single Client Data Base (SCDB). 2. Geographic correspondence data base, MABLE CORR.	1. Unemployment Insurance Single Client Data Base (SCDB). 2. Geographic correspondence data base, MABLE CORR.

[a] New benchmark data for the past 3 years ending in December are released in February of each year and named for March of the preceeding year. With the release of March 2004 benchmark estimates, scheduled for February through April 2005, the Bureau of Labor Statistics (BLS) introduced new methods for estimating labor force statistics, as well as incorporated data from the 2000 Census. Allocation timelines prohibited waiting for the release of the completed benchmark. However, in January, BLS provided historical estimates that combined many of the method changes and Census updates with basic March 2003 benchmark information.

[b] LWIAs with widespread high unemployment will have a higher sum of unemployment rates by census tract than an LWIA with only pockets of high unemployment. Also, LWIAs that encompass more census tracts will have a higher sum of unemployment rates by census tract than LWIAs encompassing fewer tracts. However, multiplying the sum of unemployment rates by total unemployment will favor large LWIAs over small LWIAs, regardless of the prevalence of high unemployment areas and the number of census tracts.