



**NORTH CAROLINA DEPARTMENT OF COMMERCE
DIVISION OF WORKFORCE SOLUTIONS**

DWS Operational Guidance Number: OG 05-2023

Date: May 24, 2023

**Subject: Local Workforce Innovation and Opportunity Act
(WIOA) Workforce Development Program Year
2023 Allocations**

From:

**Chet Mottershead
Assistant Secretary for Workforce**

Purpose: To transmit WIOA Adult, Dislocated Worker and Youth Activities Program Allotments for Program Year (PY) 2023.

Background: The U.S. Department of Labor (USDOL) released WIOA Allotments for PY 2023 (July 1, 2023 – June 30, 2024) for Adult, Dislocated Worker and Youth Activities in the Training and Employment Guidance Letter (TEGL) 15-22, on April 21, 2023. States must follow the requirements in this guidance to obtain the federal funds needed to manage their programs. On December 29, 2022, the Consolidated Appropriations Act, 2023, Pub. L. 117-328 was signed into law (from this point forward referred to as “the Act”). The Act makes PY 2023 Youth Activities funds available for obligation on April 1, 2023 and funds the WIOA Adult and Dislocated Worker programs in two separate appropriations.

The first appropriations for the Adult and Dislocated Worker programs become available for obligation on July 1, 2023; this portion is commonly referred to as “base” funds. The second appropriations for the Adult and Dislocated Worker programs become available for obligation on October 1, 2023; this portion is commonly referred to as “advance” funds because they are provided in the Appropriations Act passed during the fiscal year (FY) immediately before the FY when the funds are available.

The Dislocated Worker formula was previously modified to ensure that North Carolina is in compliance with USDOL requirements by adding the element “Declining Industries” to the formula. Program Year 2023 will continue to make use of this modified formula for Dislocated Worker allocations, and it is comprised of the following components:

- o 30% Insured Unemployment
- o 30% Excess Unemployment
- o 30% Long-term Unemployment
- o 10% Declining Industries

Declining Industries consist of the change from the 3rd Quarter of one year to the 3rd Quarter of the next in the number of establishments in each county. For this year's calculations, that data consists of the change in the count of establishments from the 3rd Quarter of Calendar Year 2021 compared to the 3rd Quarter of Calendar Year 2022.

It should be noted that Adult and Youth allocation formulas remain unchanged. Also, the Hold Harmless provision continues to be in effect for all three program allocations calculations. The Hold Harmless provision ensures that "no local area receives an allocation percentage that is less than 90% of the average allocation percentage received by the local area for the previous two years" (TEGL 15-22).

Action: The attached allocation charts are to be used for planning and operating PY 2023 WIOA Title I Programs under the PY 2023 Local Area Workforce Development Board (WDB) Plans.

Local Area WDBs do not have the authority to transfer funds to or from the Youth Activities program. WIOA Section 133(b)(4) provides the authority for local workforce development areas, with approval of the Governor, to transfer up to 100% of the Adult Activities funds for expenditure on Dislocated Worker Activities, and up to 100% of Dislocated Worker Activities funds for expenditure on Adult Activities.

Local Area WDBs will be administered funds through the Workforce Information System Enterprise (WISE) system when received by the Division of Workforce Solutions.

Effective Date: Immediately

Expiration: June 30, 2025

Contact: DWS Planner

Attachment: PY 2023 WIOA Allocation Charts for Adult, Dislocated Worker, and Youth Funds