



# Agenda Page 235, Issue 501 Employment Development Department—Item 7100-101-0869 Workforce Investment Act Dislocated Worker Funding Allocation

---

June 2, 2006

## **Proposed LAO Compromise:**

We believe it is premature to enact language requiring a change in the allocation formula. The California Workforce Investment Board is currently reviewing the allocation formula through a workgroup and policy process that involves stakeholder and public input. We recommend deleting the Assembly budget bill language and replacing it with the following supplemental report language:

***Report on Allocation Formula for Dislocated Workers.*** The Employment Development Department (EDD), in consultation with California Workforce Investment Board (CWIB), shall report to the Legislature no later than January 10, 2007, regarding the state allocation formula for federal Workforce Investment Act funding for Dislocated Workers. The report shall assess how the lack of federal layoff statistics in certain occupational areas impacts the allocation of funds under the current formula. The report shall provide an analysis of the costs and benefits of collecting layoff statistics in occupational areas which are no longer collected by the federal government. Finally, the report shall consider alternative allocation formulas. To ensure public input on this issue, the Legislature further intends that CWIB and EDD present a draft report at a regular meeting of CWIB prior to the above date.