

(C) Disadvantaged youth

Subject to paragraph (3), the term “disadvantaged youth” means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the higher of—

- (i) the poverty line; or
- (ii) 70 percent of the lower living standard income level.

(D) Excess number

The term “excess number” means, used with respect to the excess number of unemployed individuals within a State, the higher of—

- (i) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or
- (ii) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State.

(E) Low-income level

The term “low-income level” means \$7,000 with respect to income in 1969, and for any later year means that amount that bears the same relationship to \$7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest \$1,000.

(3) Special rule

For the purpose of the formula specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.

(c) Reallotment**(1) In general**

The Secretary shall, in accordance with this subsection, reallot to eligible States amounts that are made available to States from allotments made under this section or a corresponding provision of the Workforce Investment Act of 1998 for youth workforce investment activities and statewide workforce investment activities (referred to individually in this subsection as a “State allotment”) and that are available for reallotment.

(2) Amount

The amount available for reallotment for a program year is equal to the amount by which the unobligated balance of the State allotment, at the end of the program year prior to the program year for which the determination under this paragraph is made, exceeds 20 percent of such allotment for the prior program year.

(3) Reallotment

In making reallotments to eligible States of amounts available pursuant to paragraph (2) for a program year, the Secretary shall allot to each eligible State an amount based on the relative amount of the State allotment for the

program year for which the determination is made, as compared to the total amount of the State allotments for all eligible States for such program year.

(4) Eligibility

For purposes of this subsection, an eligible State means a State that does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.

(5) Procedures

The Governor shall prescribe uniform procedures for the obligation of funds by local areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and local areas in the event that a State is required to make funds available for reallotment under this subsection.

(Pub. L. 113-128, title I, §127, July 22, 2014, 128 Stat. 1498.)

REFERENCES IN TEXT

The Workforce Investment Act of 1998, referred to in subsec. (c)(1), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, and was repealed by Pub. L. 113-128, title V, §§506, 511(a), July 22, 2014, 128 Stat. 1703, 1705, effective July 1, 2015. Pursuant to section 3361(a) of this title, references to a provision of the Workforce Investment Act of 1998 are deemed to refer to the corresponding provision of the Workforce Innovation and Opportunity Act, Pub. L. 113-128, July 22, 2014, 128 Stat. 1425. For complete classification of the Workforce Investment Act of 1998 to the Code, see Tables. For complete classification of the Workforce Innovation and Opportunity Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

EFFECTIVE DATE

Section effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113-128, set out as a note under section 3101 of this title.

§ 3163. Within State allocations**(a) Reservations for statewide activities****(1) In general**

The Governor shall reserve not more than 15 percent of each of the amounts allotted to the State under section 3162(b)(1)(C) of this title and paragraphs (1)(B) and (2)(B) of section 3172(b) of this title for a fiscal year for statewide workforce investment activities.

(2) Use of funds

Regardless of whether the reserved amounts were allotted under section 3162(b)(1)(C) of this title, or under paragraph (1)(B) or (2)(B) of section 3172(b) of this title, the Governor may use the reserved amounts to carry out statewide activities under section 3164(b) of this title or statewide employment and training activities, for adults or dislocated workers, under section 3174(a) of this title.

(b) Within State allocations**(1) Methods**

The Governor, acting in accordance with the State plan, and after consulting with chief

elected officials and local boards in the local areas, shall allocate the funds that are allotted to the State for youth activities and statewide workforce investment activities under section 3162(b)(1)(C) of this title and are not reserved under subsection (a), in accordance with paragraph (2) or (3).

(2) Formula allocation

(A) Youth activities

(i) Allocation

In allocating the funds described in paragraph (1) to local areas, a State may allocate—

(I) 33½ percent of the funds on the basis described in section 3162(b)(1)(C)(i)(I) of this title;

(II) 33½ percent of the funds on the basis described in section 3162(b)(1)(C)(ii)(II) of this title; and

(III) 33½ percent of the funds on the basis described in clauses (ii)(III) and (iii) of section 3162(b)(1)(C) of this title.

(ii) Minimum percentage

The local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years. Amounts necessary for increasing such allocations to local areas to comply with the preceding sentence shall be obtained by ratably reducing the allocations to be made to other local areas under this subparagraph.

(iii) Definition

In this subparagraph, the term “allocation percentage”, used with respect to fiscal year 2015 or a subsequent fiscal year, means a percentage of the funds referred to in clause (i), received through an allocation made under this subparagraph, for the fiscal year. The term, used with respect to fiscal year 2013 or 2014, means a percentage of the funds referred to in section 128(b)(1) of the Workforce Investment Act of 1998 [29 U.S.C. 2853(b)(1)] (as in effect on the day before July 22, 2014), received through an allocation made under paragraph (2) or (3) of section 128(b) of the Workforce Investment Act of 1998 (as so in effect), for the fiscal year 2013 or 2014, respectively.

(B) Application

For purposes of carrying out subparagraph (A)—

(i) references in section 3162(b) of this title to a State shall be deemed to be references to a local area;

(ii) references in section 3162(b) of this title to all States shall be deemed to be references to all local areas in the State involved; and

(iii) except as described in clause (i), references in section 3162(b)(1) of this title to the term “excess number” shall be considered to be references to the term as defined in section 3162(b)(2) of this title.

(3) Youth discretionary allocation

In lieu of making the allocation described in paragraph (2), in allocating the funds de-

scribed in paragraph (1) to local areas, a State may distribute—

(A) a portion equal to not less than 70 percent of the funds in accordance with paragraph (2)(A); and

(B) the remaining portion of the funds on the basis of a formula that—

(i) incorporates additional factors (other than the factors described in paragraph (2)(A)) relating to—

(I) excess youth poverty in urban, rural, and suburban local areas; and

(II) excess unemployment above the State average in urban, rural, and suburban local areas; and

(ii) was developed by the State board and approved by the Secretary as part of the State plan.

(4) Local administrative cost limit

(A) In general

Of the amount allocated to a local area under this subsection and section 3173(b) of this title for a fiscal year, not more than 10 percent of the amount may be used by the local board involved for the administrative costs of carrying out local workforce investment activities under this subpart or subpart 3.

(B) Use of funds

Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this subpart or subpart 3, regardless of whether the funds were allocated under this subsection or section 3173(b) of this title.

(c) Reallocation among local areas

(1) In general

The Governor may, in accordance with this subsection and after consultation with the State board, reallocate to eligible local areas within the State amounts that are made available to local areas from allocations made under this section or a corresponding provision of the Workforce Investment Act of 1998 for youth workforce investment activities (referred to individually in this subsection as a “local allocation”) and that are available for reallocation.

(2) Amount

The amount available for reallocation for a program year is equal to the amount by which the unobligated balance of the local allocation, at the end of the program year prior to the program year for which the determination under this paragraph is made, exceeds 20 percent of such allocation for the prior program year.

(3) Reallocation

In making reallocations to eligible local areas of amounts available pursuant to paragraph (2) for a program year, the Governor shall allocate to each eligible local area within the State an amount based on the relative amount of the local allocation for the program year for which the determination is made, as

compared to the total amount of the local allocations for all eligible local areas in the State for such program year.

(4) Eligibility

For purposes of this subsection, an eligible local area means a local area that does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.

(Pub. L. 113-128, title I, §128, July 22, 2014, 128 Stat. 1502.)

REFERENCES IN TEXT

The Workforce Investment Act of 1998, referred to in subsec. (c)(1), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, and was repealed by Pub. L. 113-128, title V, §§506, 511(a), July 22, 2014, 128 Stat. 1703, 1705, effective July 1, 2015. Pursuant to section 3361(a) of this title, references to a provision of the Workforce Investment Act of 1998 are deemed to refer to the corresponding provision of the Workforce Innovation and Opportunity Act, Pub. L. 113-128, July 22, 2014, 128 Stat. 1425. For complete classification of the Workforce Investment Act of 1998 to the Code, see Tables. For complete classification of the Workforce Innovation and Opportunity Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

EFFECTIVE DATE

Section effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113-128, set out as a note under section 3101 of this title.

§ 3164. Use of funds for youth workforce investment activities

(a) Youth participant eligibility

(1) Eligibility

(A) In general

To be eligible to participate in activities carried out under this subpart during any program year an individual shall, at the time the eligibility determination is made, be an out-of-school youth or an in-school youth.

(B) Out-of-school youth

In this subchapter, the term “out-of-school youth” means an individual who is—

- (i) not attending any school (as defined under State law);
- (ii) not younger than age 16 or older than age 24; and
- (iii) one or more of the following:
 - (I) A school dropout.
 - (II) A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter.
 - (III) A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is—
 - (aa) basic skills deficient; or
 - (bb) an English language learner.
 - (IV) An individual who is subject to the juvenile or adult justice system.
 - (V) A homeless individual (as defined in section 14043e-2(6) of title 42), a home-

less child or youth (as defined in section 11434a(2) of title 42), a runaway, in foster care or has¹ aged out of the foster care system, a child eligible for assistance under section 677 of title 42, or in an out-of-home placement.

(VI) An individual who is pregnant or parenting.

(VII) A youth who is an individual with a disability.

(VIII) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

(C) In-school youth

In this section, the term “in-school youth” means an individual who is—

- (i) attending school (as defined by State law);
- (ii) not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21;
- (iii) a low-income individual; and
- (iv) one or more of the following:
 - (I) Basic skills deficient.
 - (II) An English language learner.
 - (III) An offender.
 - (IV) A homeless individual (as defined in section 14043e-2(6) of title 42), a homeless child or youth (as defined in section 11434a(2) of title 42), a runaway, in foster care or has¹ aged out of the foster care system, a child eligible for assistance under section 677 of title 42, or in an out-of-home placement.
 - (V) Pregnant or parenting.
 - (VI) A youth who is an individual with a disability.
 - (VII) An individual who requires additional assistance to complete an educational program or to secure or hold employment.

(2) Special rule

For the purpose of this subsection, the term “low-income”, used with respect to an individual, also includes a youth living in a high-pov-erty area.

(3) Exception and limitation

(A) Exception for persons who are not low-income individuals

(i) Definition

In this subparagraph, the term “covered individual” means an in-school youth, or an out-of-school youth who is described in subclause (III) or (VIII) of paragraph (1)(B)(iii).

(ii) Exception

In each local area, not more than 5 percent of the individuals assisted under this section may be persons who would be covered individuals, except that the persons are not low-income individuals.

(B) Limitation

In each local area, not more than 5 percent of the in-school youth assisted under this

¹ So in original. Probably should be preceded by “who”.