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Workforce Solutions -- Apprenticeship Program Funding (DWD -- Employment, Training, and Vocational Rehabilitation Programs)

[LFB 2005-07 Budget Summary: Page 538 , #6]

CURRENT LAW

The Department of Workforce Development (DWD) has statutory authority to determine reasonable apprenticeship classifications, issue rules and regulations, and issue general or special orders necessary for conducting apprenticeship programs. The Bureau of Apprenticeship Standards in the Division of Workforce Solutions is responsible for monitoring and regulating apprenticeship programs. The Bureau has 2004-05 funding of $28,600 GPR, $80,000 PR, and $1,748,500 FED and 0.20 GPR and 18.05 FED positions. Through a cooperative agreement between the federal government and the state, the Bureau of Apprenticeship and Training of the U.S. Department of Labor (DOL) works with state Bureau staff to administer the apprenticeship program in the state.

GOVERNOR

Provide increased expenditure authority of $691,600 FED in 2005-06 and $701,600 FED in 2006-07 in federal Reed Act funding, including the reallocation of $57,800 FED and 1.2 FED positions annually, to administer the Department's apprenticeship programs. As a result, a net increase in expenditure authority of $633,800 FED in 2005-06 and $643,800 FED in 2006-07 would be provided.

DISCUSSION POINTS

1. The apprenticeship program involves employers, employees, labor unions, employer associations, technical colleges, and the state and federal governments. The employer contracts with an employee to provide a combination of on-the-job and related classroom training in a particular

trade, craft, or business. The contract must be approved by the Bureau of Apprenticeship Standards Typically, the related classroom training is provided by a technical college, while on-the-job training is supervised by a skilled journey worker at the work site. Upon completion of the apprenticeship training, the employee is issued an apprentice completion certificate. As of April 2005, there were approximately 11,000 active apprentices, and 3,100 employers sponsoring apprenticeship programs.

2. The Bureau has 14 field representatives who are responsible for providing technical support, and developing, reviewing, and modifying apprenticeship and training programs. They also perform promotional and coordinating activities between sponsors and apprentices, and assist local apprenticeship committees in administering the program. Compliance reviews are conducted on all registered apprenticeship programs. Field representatives have frequent contacts with employers, union personnel, technical college administrators and staff, apprenticeship applicants, government agencies, and community-based organizations.

3. Historically, the Bureau of Apprenticeship Standards has been primarily funded by GPR. The following table shows total funding for the Bureau from fiscal year 2000-01 through 2006-07. The amounts shown for 2005-06 and 2006-07 reflect the additional funding provided under AB 100. Prior to the 2003-05 biennium, the main source of funding for the Bureau was GPR. Base budget reductions for 2003-05 included an annual reduction of $1,000,000 GPR for the Bureau. The table shows that the Reed Act funding essentially replaced GPR as a funding source.

Bureau of Apprenticeship Standards
Funding and Positions by Source
2000-01 through 2006-07

Funding	2000-01		2001-02		2002-03		2003-04	
Type	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions
GPR	$1,036,200	14.50	$988,400	15.00	$955,300	13.00	$48,000	0.20
PR	28,800	0.00	0	0.00	78,000	0.00	0	0.00
FED (Total)	260,000	5.30	421,300	5.10	2,081,100*	7.10	2,428,300*	20.80
[Reed Act]							[1,228,000]	[12.65]
Total	$1,325,000	19.80	$1,409,700	20.10	$3,114,400	20.10	$2,476,300	21.00

Funding	2004-05		2005-06**		2006-07**	
Type	Amount	Positions	Amount	Positions	Amount	Positions
GPR	$28,600	0.20	0	0.00	0	0.00
PR	80,000	0.00	0	0.00	0	0.00
FED (Total)	1,748,500*	18.05	$2,055,700	19.00	$2,065,700	19.00
[Reed Act]	[1,257,000]	[12.65]	[1,588,400]	[13.85]	[1,598,400]	[13.85]
Total	$1,857,100	18.25	$2,055,700	19.00	$2,065,700	19.00

*Includes $1,460,000 in 2002-03, $713,400 in 2003-04, and $24,000 in 2004-05 from national ENRAS (apprenticeship registration system) project that ended December 31, 2004.
**Includes AB 100 provisions.

4. The 2003-05 biennial budget created a continuing FED appropriation to fund administration of the Department's apprenticeship programs with federal Reed Act monies. No monies can be expended from the appropriation unless the treasurer of the unemployment reserve fund determines that such expenditures were necessary to fund apprenticeship programs. The treasurer is also required to transfer monies not needed or available to fund apprenticeship programs to the appropriation that funds administration of the unemployment insurance (UI) program. The appropriation is budgeted $896,800 FED and 12.65 FED positions annually, through standard budget adjustments (full funding of continuing salaries and fringe benefits). As a result, under these provisions (additional funds are provided for a reemployment program), total funding and position authority for the appropriation would be $1,588,400 FED in 2005-06, $1,598,400 FED in 2006-07, and 13.85 FED in each year.

5. Federal Reed Act monies are excess federal unemployment insurance taxes from accounts in the federal unemployment trust fund that are transferred to the states when the balances in certain federal accounts exceed statutory limits. A March, 2002, distribution of $8 billion nationwide was made without the statutory balances being exceeded. Wisconsin received a distribution of $166.2 million, which was placed in the state unemployment insurance reserve fund. The transfers require special legislation for each allocation. Reed Act funds can only be used for UI benefits, UI administration, and employment services administration.

6. Prior to the current biennium, Reed Act funds were used to fund 2.0 FED project positions for supplemental apprenticeship staff for 1999-00 and 2000-01, (base level expenditure authority was continued in the 2001-03 biennium) and $40,000 was appropriated in 2001-02 for repair of the roof of the Fond du Lac job center. Between 2000 and 2002, Wisconsin received $6.9 million in new Reed Act money as a result of federal account balances being exceeded. These funds were appropriated for development and implementation of the UI tax and accounting information technology system. A total of $3.6 million in 2003-04 and $3.3 million in 2004-05 was spent for the system. DWD is currently using Reed Act funds from the March, 2002, disbursement as follows: (a) $1.228 million in each year for administration of the apprentice program; (b) $2.5 million in each year for the tax and accounting data information technology system; and (c) $1.0 million for banking fees incurred by the unemployment reserve fund. The balance of the March, 2002, federal distribution is in the state unemployment reserve fund. The Department estimates that the 2004-05 year-end balance for the special Reed Act distribution will be $156.8 million.

7. Under AB 100, the special Reed Act funds would be appropriated as follows: (a) $1,588,400 in 2005-06 and $1,598,400 and 13.85 FED positions annually for administration of the apprentice program; (b) $1,000,000 and 13.00 FED positions annually for a reemployment initiative; and (c) $1,020,000 annually for banking fees. In addition, the bill includes provisions that would allow the Department to use the special Reed Act funds for UI administration, if the federal grant for that purpose was insufficient to fund program administration. No expenditure authority is provided under the bill.

8. As noted, funds from the special Reed Act distribution are required to be used for UI benefits, UI administration, and employment services administration. The U. S. Department of

Labor issued guidelines to assist states in determining the appropriate uses for the funds. DOL "urged" states to give serious consideration to using a portion of the distribution for the following purposes: (a) to establish revolving funds for UI and employment services automation costs; (b) UI and employment services administrative performance improvements, including evaluating service delivery systems; (c) reducing fraud and abuse; (d) improving UI claims and payment processes; and (e) to support one-stop employment service systems in the same manner as Wagner-Peyser Act funds, including staff delivery of self-help services, purchases of equipment and related resources for resource rooms, staff for delivery of reemployment services, payment of rent, utilities, and maintenance, payment of shared operating costs, development of products that support service delivery, purchases of information technology equipment and applications development, providing outreach and educational materials, providing training, technical assistance, professional development of staff, improving access for individuals with disabilities, and improving access for individuals with limited proficiency in English.

9. In evaluating the potential uses of Reed Act funds, it is important to recognize the effect of retaining the balance of Reed Act funds in the state's unemployment reserve fund. Allocating portions of Reed Act funding for other purposes could affect the UI taxes paid by employers.

10. Under current law, there are four different sets of UI tax rate schedules. The specific rate schedule that applies in a given year depends upon the balance in the state's unemployment reserve fund on the prior June 30. A different rate schedule applies when the balance in the unemployment reserve fund is less than $300 million (Schedule A), between $300 million and $900 million (Schedule B), between $900 million and $1.2 billion (Schedule C), and over $1.2 billion (Schedule D). Schedule A has the highest overall tax rates, while Schedule D has the lowest. As a result, the lower the balance in the unemployment reserve fund, the higher will be the rate schedule that applies. Attachment 1 shows the statutory contribution and solvency tax rate schedules. For 2005, Schedule B is in effect. At the end of 2004 the estimated balance in the state's unemployment reserve fund was $776 million.

11. Any appropriation of Reed Act funds reduces the balance in the state unemployment reserve fund. At the margin, an additional appropriation of Reed Act monies could reduce the balance in the fund below a threshold level, such as $300 million, and trigger a higher tax rate schedule. Conversely, if tax revenues are outpacing benefit claims, the additional Reed Act funds could increase the balance past a threshold level, such as $900 million, which would result in a lower overall tax rate schedule. With a 2004 year-end balance of $776 million, it is apparent that appropriation of an additional $700,000 would have a slight effect in moving the fund balance toward a level that would trigger the higher tax rate. However, over time, if benefit payments continued to exceed tax revenues, the Reed Act funds could keep the balance in the unemployment reserve fund above the level necessary to impose a higher tax rate schedule. Again, if the fund balance is increasing, the Reed Act funds would help trigger a lower rate schedule. Conversely, annual appropriations of Reed Act funds would draw down the balance in the state unemployment reserve fund.

12. A second issue relates to the cyclical nature of the economy. If the economy were to experience a recession, the state unemployment reserve fund could go into deficit. Actions that would be taken to place the fund in sound fiscal condition could increase employer taxes. It is possible that the state would enact a higher overall tax rate schedule to generate more revenues. In addition, the state might be forced to borrow funds from the federal government to finance the operating deficit. Principal on the loans could be repaid from increased UI taxes in the unemployment reserve fund, but interest on such loans cannot. As a result, employers could be subject to special assessments to repay the interest. Finally, under certain conditions, the federal UI tax credit would be reduced. Under this scenario, Reed Act funds in the unemployment reserve fund balance could offset funds that would otherwise have to be borrowed from the federal government. In this case, the Reed Act funding would lower the amounts that would have to be paid in taxes and special assessments. In fact, when the state unemployment reserve fund experienced deficits between 1982 and 1985, the state did increase UI tax rates, borrow from the federal government, and impose a special assessment on employers to repay interest.

13. Under current law, DWD is required to submit a biennial report on the financial outlook for the unemployment insurance program. The report includes projections of the fiscal condition of the unemployment reserve fund under certain assumptions and forecasts of economic activity. The February, 2005, report includes estimates under three scenarios: (a) an official forecast based on the November, 2004, economic forecast used by the Department of Revenue in developing the November revenue estimates; (b) a more optimistic forecast that assumes an improved economic expansion; and (c) a forecast of a moderately severe recession. Under the official forecast, the balance in the unemployment reserve fund is projected to gradually decrease, until the year-end balance is $286 million in 2009. The optimistic forecast projects increases in the balance in 2006 and 2007 and declines in 2008 and 2009, but the year-end balance in 2009 is estimated at $879 million. Finally, the recession scenario forecasts that the fund would experience an operating deficit beginning in 2006, and the state would probably be forced to borrow funds from the federal government.

14. The U. S. Government Accounting Office (GAO) conducted a survey of states in November, 2002, to determine how the special Reed Act funds were being used. The GAO found that 83% of the 2002 disbursement was in state UI trust funds to help prevent automatic employer tax increases or surcharges. Many states, Wisconsin included, have multiple employer UI tax rate schedules which are linked to the balance in the state UI trust fund. GAO indicated that another 15.8% of the distribution had been spent on UI benefits, and the remaining 1.2% had been allocated for UI administrative costs.

15. In February, 2004, the National Association of State Workforce Agencies (NASWA) conducted a survey of state workforce agencies to determine how states were using the March, 2002, Reed Act distribution of $8 billion. The survey found that states estimated aggregate reductions of over $4 billion in state unemployment insurance taxes as a result of higher UI trust fund balances due to the addition of Reed Act funds. A number of states also increased UI benefits. A total of $844 million was spent on improving UI administration. Finally, $438 million was spent on employment services. Specific employment services projects included upgrading one-stop career

center computer equipment in Alaska, reemployment services in Florida, welfare-to-work services in Michigan, labor exchange services in Utah, and conforming with Americans with Disabilities Act requirements at one-stop centers in Tennessee. Attachment 2 provides a summary of state employment service administration projects compiled by NASWA

16. As noted, DOL has taken the position that Reed Act funds can be used in the same manner as Wagner-Peyser funds are used to support one-stop systems. DWD allocated Reed Act funds to the Apprenticeship Bureau because the Bureau was viewed as providing services that meet labor exchange functions outlined in the Wagner-Peyser Act. Two of the core services provided through labor exchange are placement services to individuals, and recruitment and special technical services for employers. Bureau staff work with individuals seeking employment, and develop apprenticeship and on-the-job training programs for employers. These services are viewed as meeting the labor exchange functions of the Wagner-Peyser Act. DOL has not indicated to DWD that funding the Bureau of apprenticeship services with Reed Act funds is not an appropriate use for the funds.

17. A basic issue related to the use of Reed Act monies to fund the Apprenticeship Bureau is measuring the potential benefits from this use of the funds against the potential effect on employer UI taxes. As the table above shows, the Bureau was historically funded with GPR. As an alternative, the Committee could provide $1,588,400 GPR in 2005-06 and $1,598,400 GPR and 13.85 GPR positions beginning in 2005-06 and delete the same federal funding amounts and positions to eliminate the use of Reed Act funding for the Bureau of Apprenticeship Standards. The table also shows that $1,257,000 FED in Reed Act funds and 12.65 FED positions were sufficient to fund Bureau activities in 2004-05. A second alternative would be to reduce the amounts provided under AB 100 by $331,400 FED in 2005-06 and $341,400 FED in 2006-07 and delete 1.2 FED positions. This would provide the same level of annual Reed Act funding and positions in the 2005-07 biennium as in 2004-05.

ALTERNATIVES

1. Approve the Governor's recommendation to provide increased expenditure authority of $691,600 FED in 2005-06 and $701,600 FED in 2006-07 in federal Reed Act funding, including the reallocation of $57,800 FED and 1.2 FED positions annually, to administer the Department's apprenticeship programs.

2. Delete $1,588,400 FED in 2005-06 and $1,598,400 FED in 2006-07 and 13.85 FED positions beginning in 2005-06 to eliminate the use of Reed Act funding and provide $1,588,400 GPR in 2005-06 and $1,598,400 GPR and 13.85 GPR positions beginning in 2005-06 to administer the Department's apprenticeship programs. In addition, eliminate the current appropriation that is used to fund apprenticeship programs with Reed Act funding.

Alternative 2	GPR	FED	TOTAL
2005-07 FUNDING (Change to Bill)	$3,186,800	- $3,186,800	$0
2006-07 POSITIONS (Change to Bill)	13.85	- 13.85	0.00

3. Decrease the amount of Reed Act funding recommended by the Governor for apprenticeship programs by $331,400 FED in 2005-06 and $341,400 FED in 2006-07, and delete 1.2 FED positions in each year. Under this option, the Department would have $1,257,000 and 12.65 FTE in federal Reed Act funds and position authority in each year of the 2005-07 biennium, which is the same as the amount provided in 2004-05.

Alternative 3	FED
2005-07 FUNDING (Change to Bill)	- $672,800
2006-07 POSITIONS (Change to Bill)	- 1.20

4. Maintain current law.

Alternative 4	FED
2005-07 FUNDING (Change to Bill)	- $1,277,600

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Attachment

ATTACHMENT 1

Employers' Contribution and Solvency Rate Schedules

Reserve Percentage	*SCHEDULE A* Under $500,000 Taxable Payroll			*SCHEDULE A* $500,000 or More Taxable Payroll			*SCHEDULE B* Under $500,000 Taxable Payroll			*SCHEDULE B* $500,000 or More Taxable Payroll		
	Basic	Solvency	Total	Basic	Solvency	Total	Basic	Solvency	Total	Basic	Solvency	Total
15% or more	0.27	0.00	0.27	0.27	0.43	0.70	0.00	0.05	0.05	0.00	0.10	0.10
10% to 15%	0.27	0.00	0.27	0.27	0.43	0.70	0.20	0.05	0.25	0.20	0.10	0.30
9.5% to 10%	0.45	0.00	0.45	0.45	0.60	1.05	0.35	0.05	0.40	0.35	0.15	0.50
9.0% to 9.5%	0.53	0.00	0.53	0.53	0.70	1.23	0.45	0.05	0.50	0.45	0.20	0.65
8.5% to 9.0%	0.72	0.20	0.92	0.72	0.70	1.42	0.65	0.20	0.85	0.65	0.30	0.95
8.0% to 8.5%	0.79	0.30	1.09	0.79	0.80	1.59	0.80	0.20	1.00	0.80	0.35	1.15
7.5% to 8.0%	0.86	0.40	1.26	0.86	0.90	1.76	0.90	0.20	1.10	0.90	0.40	1.30
7.0% to 7.5%	0.97	0.50	1.47	0.97	1.00	1.97	1.05	0.25	1.30	1.05	0.45	1.50
6.5% to 7.0%	1.23	0.60	1.83	1.23	1.00	2.23	1.30	0.30	1.60	1.30	0.50	1.80
6.0% to 6.5%	1.48	0.70	2.18	1.48	1.10	2.58	1.60	0.35	1.95	1.60	0.55	2.15
5.5% to 6.0%	1.82	0.80	2.62	1.82	1.20	3.02	1.95	0.45	2.40	1.95	0.60	2.55
5.0% to 5.5%	2.16	0.90	3.06	2.16	1.30	3.46	2.30	0.50	2.80	2.30	0.65	2.95
4.5% to 5.0%	2.50	0.90	3.40	2.50	1.40	3.90	2.65	0.55	3.20	2.65	0.70	3.35
4.0% to 4.5%	2.84	1.00	3.84	2.84	1.50	4.34	3.00	0.60	3.60	3.00	0.70	3.70
3.5% to 4.0%	3.18	1.10	4.28	3.18	1.60	4.78	3.45	0.65	4.10	3.45	0.70	4.15
0% to 3.5%	3.57	1.20	4.77	3.57	1.70	5.27	4.00	0.65	4.65	4.00	0.70	4.70
0% to - 1%	5.70	0.90	6.60	5.70	0.90	6.60	5.70	0.90	6.60	5.70	0.90	6.60
- 1% to - 2%	6.20	0.90	7.10	6.20	0.90	7.10	6.20	0.90	7.10	6.20	0.90	7.10
- 2% to - 3%	6.70	0.90	7.60	6.70	0.90	7.60	6.70	0.90	7.60	6.70	0.90	7.60
- 3% to - 4%	7.20	0.90	8.10	7.20	0.90	8.10	7.20	0.90	8.10	7.20	0.90	8.10
- 4% to - 5%	7.70	0.90	8.60	7.70	0.90	8.60	7.70	0.90	8.60	7.70	0.90	8.60
- 5% to - 6%	8.20	0.90	9.10	8.20	0.90	9.10	8.20	0.90	9.10	8.20	0.90	9.10
- 6% or more	8.90	0.90	9.80	8.90	0.90	9.80	8.90	0.90	9.80	8.90	0.90	9.80

Reserve Percentage	*SCHEDULE C* Under $500,000 Taxable Payroll			*SCHEDULE C* $500,000 or More Taxable Payroll			*SCHEDULE D* Under $500,000 Taxable Payroll			*SCHEDULE D* $500,000 or More Taxable Payroll		
	Basic	Solvency	Total	Basic	Solvency	Total	Basic	Solvency	Total	Basic	Solvency	Total
15% or more	0.00	0.00	0.00	0.00	0.05	0.05	0.00	0.00	0.00	0.00	0.05	0.05
10% to 15%	0.20	0.02	0.22	0.20	0.05	0.25	0.10	0.02	0.12	0.10	0.05	0.15
9.5% to 10%	0.35	0.02	0.37	0.35	0.05	0.40	0.25	0.02	0.27	0.25	0.05	0.30
9.0% to 9.5%	0.45	0.02	0.47	0.45	0.05	0.50	0.35	0.02	0.37	0.35	0.05	0.40
8.5% to 9.0%	0.65	0.10	0.75	0.65	0.15	0.80	0.55	0.10	0.65	0.55	0.15	0.70
8.0% to 8.5%	0.80	0.10	0.90	0.80	0.20	1.00	0.70	0.10	0.80	0.70	0.20	0.90
7.5% to 8.0%	0.90	0.10	1.00	0.90	0.25	1.15	0.80	0.10	0.90	0.80	0.25	1.05
7.0% to 7.5%	1.05	0.15	1.20	1.05	0.30	1.35	0.95	0.15	1.10	0.95	0.30	1.25
6.5% to 7.0%	1.30	0.15	1.45	1.30	0.35	1.65	1.20	0.15	1.35	1.20	0.35	1.55
6.0% to 6.5%	1.60	0.20	1.80	1.60	0.40	2.00	1.50	0.20	1.70	1.50	0.40	1.90
5.5% to 6.0%	1.95	0.25	2.20	1.95	0.45	2.40	1.85	0.25	2.10	1.85	0.45	2.30
5.0% to 5.5%	2.30	0.30	2.60	2.30	0.50	2.80	2.20	0.30	2.50	2.20	0.50	2.70
4.5% to 5.0%	2.65	0.35	3.00	2.65	0.55	3.20	2.55	0.35	2.90	2.55	0.55	3.10
4.0% to 4.5%	3.00	0.40	3.40	3.00	0.55	3.55	2.90	0.40	3.30	2.90	0.55	3.45
3.5% to 4.0%	3.45	0.40	3.85	3.45	0.55	4.00	3.35	0.40	3.75	3.35	0.55	3.90
0% to 3.5%	4.00	0.40	4.40	4.00	0.55	4.55	3.90	0.40	4.30	3.90	0.55	4.45
0% to - 1%	5.70	0.70	6.40	5.70	0.70	6.40	5.70	0.70	6.40	5.70	0.70	6.40
- 1% to - 2%	6.20	0.70	6.90	6.20	0.70	6.90	6.20	0.70	6.90	6.20	0.70	6.90
- 2% to - 3%	6.70	0.70	7.40	6.70	0.70	7.40	6.70	0.70	7.40	6.70	0.70	7.40
- 3% to - 4%	7.20	0.70	7.90	7.20	0.70	7.90	7.20	0.70	7.90	7.20	0.70	7.90
- 4% to - 5%	7.70	0.80	8.50	7.70	0.80	8.50	7.70	0.80	8.50	7.70	0.80	8.50
- 5% to - 6%	8.20	0.85	9.05	8.20	0.85	9.05	8.20	0.85	9.05	8.20	0.85	9.05
- 6% or more	8.90	0.85	9.75	8.90	0.85	9.75	8.90	0.85	9.75	8.90	0.85	9.75

Schedule A is effective with an Unemployment Reserve Fund balance of less than $300 million.
Schedule B is effective with an Unemployment Reserve Fund balance of $300 million to $900 million.
Schedule C is effective with an Unemployment Reserve Fund balance of $900 million to $1.2 billion.
Schedule D is effective with an Unemployment Reserve Fund balance in excess of $1.2 billion.

ATTACHMENT 2

Reed Act Funds Appropriated for Employment Services -- 2003
($ in millions)

Alabama	$2.2	Appropriated for UI and employment services (ES) future needs; state is to establish a plan to spend the funds over a four to five year time period.
Alaska	0.5	Upgrade computer equipment for 23 one-stops across the state; equipment replacement plan may extend into 2005.
Arizona	N.A.*	
Arkansas	N.A.	
California	33.7	Used to supplement federal ES allocation.
Colorado	7.0	Appropriated for administrative costs of the one-stop system to assist unemployed workers over a three-year period.
Connecticut	3.7	Create CT Works Business system, ES operation and staff costs and network upgrades; anticipate spending $1 million more in 2004.
Delaware	N.A.	
Florida	15.8	Appropriated for reemployment services to be provided through Florida's one-stop system.
Georgia	N.A.	The $49.3 million total appropriation designated for UI and ES; no breakdown was given between the two programs.
Hawaii	N.A.	
Idaho		The $7 million total appropriation designated for UI and ES; no breakdown was given between the two programs.
Illinois	N.A.	
Indiana	33.0	Appropriated over five years; $25 for Indiana@Work targeting industries and $8 million to the workforce investment boards (WIBs) for administration of the one-stop offices.
Iowa		The $20 million total appropriation designated for ES; no breakdown was given between the two programs.
Kansas	N.A.	
Kentucky	N.A.	

Louisiana	$5.7	Detailed use of appropriated funds was not given.
Maine		The $9.8 million total appropriation will be used for some ES functions; no breakdown was given between the two programs.
Maryland	N.A.	
Massachusetts	11.7	Support ES activities at the one-stop centers, employment assistance, and targeted client population.
Michigan	217.0	Appropriated through FY 2005; $7 million for ES agency; $182 million for welfare-to-work activities, $24 to local area workforce investment act (WIA) one-stop operations; $4 million for libraries
Minnesota	N.A.	
Mississippi		The $19.3 million total appropriation will be used only to the extent ES staff will use accommodations at the new state building.
Missouri	N.A.	
Montana	7.7	Administration of ES program and upgrading computer program; appropriated through June, 2005.
Nebraska	N.A.	
Nevada		The $15 million total appropriation will include a one-stop center.
New Hampshire	N.A.	
New Jersey	6.0	Upgrading information technology infrastructure and development of one-stop offices throughout the state.
New Mexico	5.7	ES administration, facility and equipment upgrades, and for High School Career Centers.
New York	N.A.	
North Carolina	N.A.	
North Dakota	N.A.	
Ohio	25.7	One-stop assistance, staff training, local office transition, and supplement federal shortfalls; appropriated through 2005.
Oklahoma	2.3	Supplemented ES program budget and shared one-stop cost shortfalls through June, 2004.
Oregon	20.5	Administration of the employment services and will be used to replace state funds redirected to other state programs.

Pennsylvania	$7.0	$15 million was appropriated for UI and ES uses; ES appropriation was for ES operating and personnel costs.
Rhode Island	4.0	Appropriated for UI and ES administration use; expect to use total appropriation for ES purposes through June, 2004.
South Carolina		The $9.7 million is for acquisition of land and construction of five local office facilities over the next three to five years.
South Dakota	N.A.	
Tennessee	1.6	For facility and equipment upgrades, local office furniture, staff training, ADA accommodations, and staff equity pay raises.
Texas	N.A.	
Utah	6.5	Appropriated over a three-year period to support labor exchange activities in the state regions.
Vermont	N.A.	
Virginia	6.2	Appropriated for the 2002-04 biennium for federal funding offsets, placement activities in economic relief centers; $7.5 million for 2004-06 biennium.
Washington	N.A.	
West Virginia	2.4	Appropriated through 2004; improved automation systems and computer equipment upgrades.
Wisconsin	1.0	Appropriated $1 million per year for the apprenticeship program.
Wyoming	1.9	Used to upgrade Wyoming Job Network (WJN), upgrade autodialer computer systems, and ES administration if any funds remain.
Total	$437.6	

*N.A. -- Not Applicable. Reed Act funds not used for employment services.