**Section 2625.30 Allocation of Funds**

a) Federal Allotment to States – The State receives Title III funds under the Act as allotted by the Secretary of the U.S. Department of Labor (U.S. DOL) in accordance with Section 302(b) of the Act.

b) Federal Reserve Fund – The Department of Commerce and Community Affairs (Department) shall apply for funds reserved by the Secretary of the U.S. DOL under Section 302(a)(2) of the Act, in accordance with Title III instructions periodically issued by the Secretary of the U.S. DOL. Reserve funds shall be used to provide services, of the type described in Section 314 of the Act, to individuals who are affected by the circumstances described in Section 323 of the Act, and conduct activities as applicable under Section 324 of the Act.

c) State Allocation to Substate Areas – The Governor shall allocate 60 percent of the State's Title III allotment to substate areas in accordance with Section 302(d) of the Act. The allocation formula shall utilize the information detailed in Section 302(d) of the Act. Each of the following shall be the basis for allocating 25 percent of the total allocation to each substate area: insured unemployment data, unemployment concentrations data, declining industries data and long-term unemployment data. The following shall be included in the allocation formula, but shall not be bases for the distribution of funds at this time: plant closing and mass layoff data, and farmer-rancher economic hardship data.

1) The following shall be the measures of the factors to be used in calculating the allocation of Title III funds to substate areas:

A) Insured Unemployment Data – The relative number, for each substate area, of unemployment insurance claimants under the Unemployment Insurance (UI) system.

B) Unemployment Concentrations Data – The relative number, in each substate area, of unemployed individuals residing in counties (or sub-county substate areas) with an unemployment rate higher than the statewide unemployment rate for the same time periods as used in federal allotments.

C) Declining Industries Data – The relative number, in each substate area, of jobs lost within industries which have experienced declining employment.

D) Long-Term Unemployment Data – The relative number, in each substate area, of unemployment insurance claimants who have received benefits for 15 or more weeks under the UI system.

2) No substate area shall be allocated an amount less than a minimum set by the Illinois Job Training Coordinating Council (IJTCC). The minimum for the first year is $200,000. If the amounts allocated pursuant to the above formula are not sufficient to meet this level for each substate area, the amounts allocated to all other areas shall be ratably reduced so that each receives no less than the minimum.

3) As applicable, the Department shall utilize data for the same base period as the Secretary of the U.S. DOL pursuant to Section 162 of the Act, if all necessary data is available to the Department in a timely manner.

d) Reservations for State Activities and for Substate Grantees in Need – In accordance with Section 302(c) of the Act, the Governor shall reserve 40 percent of the amount allotted to the State under Section 302(a)(1) of the Act. These funds shall be used for the activities described in Section 302(c)(1)(A) through (E) of the Act.

(Source: Amended at 15 Ill. Reg. 10368, effective July 1, 1991)