NORTEC
WIOA POLICY STATEMENT
SELF-SUFFICIENCY STANDARDS
AND THE
PROVISION OF TRAINING SERVICES TO EMPLOYED WORKERS

Last Update: August 28, 2023

PURPOSE

The purpose of this policy is to provide guidance to the Service Providers (NoRTEC Subcontractors) with respect to determining eligibility for training services under the Workforce Innovation and Opportunity Act (WIOA). This policy applies only to Adults and Dislocated Workers who were ***employed*** on the date of participation under the WIOA program. It does not apply to individuals who are ***not employed*** on the date of participation.

GENERAL INFORMATION/REQUIREMENTS

1. General Eligibility for Training Services

   As outlined in section 680.210 of the WIOA Regulations and NoRTEC's Policy Statement on *WIOA Adult and Dislocated Worker Programs*, training services may be made available to employed or unemployed adults and dislocated workers who:

   1. Are determined by a One Stop Center after an interview, evaluation, or assessment, and career planning are:
      a. Unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services;
      b. In need of training services to obtain or retain employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and
      c. Have the skills and qualifications to participate successfully in training activities;
   2. Selects a program of training services, in consultation and agreement with One Stop personnel, that is directly linked to employment opportunities in the local area or in another area to which the participant is willing to relocate; and
   3. Is unable to obtain grant assistance from other sources to pay the costs of such training (e.g. TAA, Pell, etc.).

2. Determination of Economic Self-Sufficiency of the Family

   An ***employed*** individual who is applying for training services under the WIOA program shall be eligible for training if the conditions under Section A above are met, and the individual's annual family income is *less* than 175% of the Lower Living Standard of Income Level (LLSIL) figure for the NoRTEC region.

If the applicant's family income is *greater* than or equal to the 175% figure, he/she is considered part of a self-sufficient family, and would not be eligible for training, *unless the training has the possibility of leading to a job with wages comparable to or higher than wages from previous employment.*[1] This must be documented in the participant's file.

3. Documentation of Income

   Employed participants must provide documentation of family income in order to determine the economic self-sufficiency of the family:

   1. Public assistance recipients may provide a copy of their *Passport to Services* or other agency documentation verifying receipt of public assistance. If the employed worker is part of a family receiving public assistance, he/she is not considered to be a member of a family who is economically self-sufficient.
   2. For those who are not on public assistance, gross (pre-tax) earnings for the *six months* prior to application for each working family member shall be collected, along with verification of family size. In instances where the collection of income and/or family size documentation is not practicable or poses an undue burden on the applicant, such applicant may fill out a "Self-Attestation of Family Income and Size for WIOA Services" form, accessible via the following link: http://ncen.org/images/documents/policies/Self-Attestation-Income-FamilySize.pdf
   3. Disabled individuals are to be considered a "family of one" and shall only provide information on their income. The income of other family members is not to be considered or collected.

   Income documentation shall only be gathered for the ***six months*** prior to application for WIOA services. This figure shall then be **annualized** by doubling the six month amount and using the sum as the annual income figure.

4. Definitions

   Additional definitions, including an explanation of NoRTEC's method of determining economic self-sufficiency for families, are included in Attachment A.

   Additional information on LLSIL figures for NoRTEC is included in Attachment B.

   A worksheet for determining 175% of the self-sufficiency standard is contained in Attachment C, and shall be utilized when enrolling an employed person into training.

POLICY EXCEPTIONS

Service Providers (NoRTEC Subcontractors) may make exceptions to this policy only with prior written authorization from the NoRTEC Administrative Entity.

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[1] The term "wages" is not meant to equate exclusively to an hourly wage rate. For example, an individual working an average of 20 hours per week at $15.00 an hour that has an opportunity to go to work 40 hours a week at $15 an hour, after training, would qualify as being eligible for training services, even though the hourly rate remains the same. The intent is to assist individuals with obtaining additional annual income and not focus solely on an individual's hourly wage rate.

ATTACHMENT A

DEFINITIONS

Date of Participation - The date of participation is defined as the date when the individual is initially enrolled in the WIOA program.

Employed - An individual is considered employed if he/she at the date of participation:

1. Did any work at all as a paid employee; or
2. Did any work at all in his/her own business, profession, or farm; or
3. Worked 15 hours or more as an unpaid worker in an enterprise operated by a member of the family; or
4. Was not working, but has a job or business from which he/she was temporarily absent because of illness, bad weather, vacation, labor-management dispute, or personal reasons, regardless of whether the individual was paid by the employer for the time off, and regardless of whether the individual is seeking another job.

Individuals are considered not employed if they have received a notice of termination of employment or the employer has issued a WARN or other notice that the business will close, or if the individual is a transitioning service member.

Family – Two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

1. A husband, wife (including same sex spouses) and dependent children.
2. A parent or legal guardian and dependent children.
3. A husband and wife (including same sex spouses).

[Regs, 675.300]

Training Activities - NoRTEC's Policy Statement on *WIOA Adult and Dislocated Worker Programs* provides information on the specific types of training services that may be provided to Adults/Dislocated Workers enrolled in the WIOA program: http://ncen.org/images/documents/policies/Adult-DW-Policy-WIOA.pdf

Self-Sufficiency Determination - In general, "self-sufficiency" means families are able to meet their basic needs without having to rely on any public or private assistance. This definition underlies the Self-Sufficiency Standard, which is generally recommended as the best way for state government (or anyone else) to measure the economic well-being of families. The traditional measure of economic well-being are federal poverty level figures. According to the Bell Policy Center, however, poverty level calculations are hopelessly outdated and are calculated based on the cost of food alone and are uniform for all families of a given size, no matter where they live in the United States.[2]

[2] The Bell Policy Center at http://www.bellpolicy.org/basic/what-self-sufficiency.

Further research on self-sufficiency has resulted in the development of a "living wage calculator" by a professor at MIT that attempts to estimate the cost of living in a particular community or region. This calculator takes into account factors beyond those utilized in the poverty level calculations, including the size of the family and the age and working status of family members, along with additional consideration for where individuals live within the United States. This information was last updated in February 2017, and according to the authors, "the living wage model is a 'step up' from poverty as measured by the poverty thresholds but it is a small 'step up,' one that accounts for only the basic needs of the family." The living wage model "draws upon minimum food, childcare, health insurance, housing, transportation, and other basic necessities, to determine the minimum employment earnings necessary to meet a family's basic needs while also maintaining self-sufficiency."[3]

The living wage calculator provides information for all 50 states, plus the District of Columbia, and further breaks out information by county and metropolitan statistical areas within each of the 50 states.

Minimum annual income figures were examined for all eleven counties within the NoRTEC geographic region. The Living Wage calculation varied between counties, and minimum incomes levels based on family size also varied depending upon the composition of the family (ages of children, number of adults in the family that were working, etc.).

Due to these differences between counties and the variations of minimum income levels with respect to the number and ages of children and the number of working adults in the family unit, NoRTEC has determined that developing guidelines for determining "self-sufficiency" by geographic location and the ages of the family members, would be complicated and likely counter-productive. Instead, NoRTEC has determined that employment leading to self-sufficiency means family income that pays at least 175% of the LLSIL (Lower Living Standard of Income Level) determined for NoRTEC[4]. These figures are published annually by the Secretary of Labor and published by the Employment Development Department (EDD) in Directive format. The Directive is updated by EDD annually, usually in mid-July, and is usually titled: *70 Percent LLSIL and Poverty Guidelines for 20XX*.

The website to access EDD published Directives can be accessed here:
http://edd.ca.gov/Jobs_and_Training/Active_Directives.htm

[3] Living Wage Calculator at http://livingwage.mit.edu/

[4] The 175% figures, while not exact, are reasonably close minimum wage levels for different family compositions, as determined by the MIT calculations.

ATTACHMENT B

DETERMINING 175% OF LLSIL

The Employment Development Department (EDD) provides workforce development areas in the State of California with the *Lower Living Standard of Income Levels (LLSIL)* published by the Secretary of Labor. The Workforce Innovation and Opportunity Act (WIOA) program utilizes these figures to determine whether or not an individual applying for services under the WIOA program is to be reported as "low income."

The figures are updated annually in the form of a Directive on EDD's website. The website to access EDD published Directives can be accessed here: http://edd.ca.gov/Jobs_and_Training/Active_Directives.htm

This directive generally contains five different tables to reflect poverty guidelines and LLSIL levels throughout the State of California. In the most current directive available at the time this policy was updated (08/28/2023), is from Directive WSD23-026, and contains the following data:

Metropolitan Area Guidelines

Applicable Local Areas – Fresno County, Golden Sierra Consortium, Imperial County, Kern/Inyo/Mono Consortium, Kings County, Madera County, Merced County, Monterey County, North Central Counties Consortium, Northern Rural Training and Employment Consortium, Riverside County, Sacramento City/County Consortium, San Benito County, San Bernardino County, San Joaquin County, San Jose/Silicon Valley, San Luis Obispo County, Santa Barbara County, Santa Cruz County, Solano County, Sonoma County, Stanislaus County, Ventura County, Tulare County, and Yolo County

Family Size	100% Annual LLSIL	70% Annual LLSIL	70% 6 Months LLSIL	Annual Poverty Guidelines	6 Months Poverty Guidelines
1	$18,488	$12,942	$6,471	$14,580	$7,290
2	$30,300	$21,210	$10,605	$19,720	$9,860
3	$41,600	$29,120	$14,560	$24,860	$12,430
4	$51,354	$35,948	$17,974	$30,000	$15,000
5	$60,599	$42,419	$21,210	$35,140	$17,570
6	$70,878	$49,615	$24,808	$40,280	$20,140
Each Add'l	+$10,279	+$7,196	+$3,598	+$5,140	+$2,570

The 70% LLSIL and Poverty Guidelines are utilized to determine economic eligibility for the Youth program, and to report whether or not Adults and Dislocated Workers are to be reported as "low income."

For the purpose of determining family economic self-sufficiency to validate an employed worker's eligibility for training services under WIOA, the following procedure shall be followed:

1. Determine the income of the family for the **six months** prior to the WIOA application date. Multiply this figure by 2, which will provide an annualized income figure. (Note: Do NOT collect income for the entire 12 month period—income must only be collected for six months and then doubled).
2. After collecting annualized income information and the family size of the participant, review Table 4 and select the amount from the 100% row under the 70% LLSIL heading that corresponds with the appropriate family size. Then multiply this figure by 1.75.
3. If the 175% amount is greater than the previously determined annualized family income, the participant is eligible for training services.
4. If the 175% figure is less than the previously determined annualized family income, the participant is eligible for training services only if the *training has the possibility of leading to a job with wages comparable to or higher than wages from previous employment.*[5]
5. In instances where step 4 above is followed, documentation of wages comparable to or higher than wages from previous employment must be documented in the participant file in the case notes.

[5] The term "wages" is not meant to equate exclusively to an hourly wage rate. For example, an individual working an average of 20 hours per week at $15.00 an hour that has an opportunity to go to work 40 hours a week at $15 an hour, after training, would qualify as being eligible for training services, even though the hourly rate remains the same. The intent is to assist individuals with obtaining additional annual income and focus solely on the individual's hourly wage rate.

ATTACHMENT C

ECONOMIC ELIGIBILITY FOR SELF-SUFFICIENCY STANDARD WORKSHEET

State Directive Number from which the *70 Percent LLSIL and Poverty Guidelines* were utilized: WSD_____

1. Family Income for the six months prior to the WIOA Application date:

   _____

2. Multiply the figure in Number 1 above by "2" to determine annual income:

   _____

3. Select the amount from the 100% row under the 70% LLSIL heading on the above noted Directive based upon family size:

   _____

4. Multiply the amount from Number 3 above by 1.75:

   _____

Is the amount on Number 4 greater than the amount on Number 2?

- ❑ **Yes** (The individual is eligible for Training Services)

- ❑ **No** (The individual is <u>not</u> eligible for Training Services unless the proposed training services have the possibility of leading to a job with wages comparable to or higher than wages from previous employment—this must be documented in the eligibility section and case notes of the participant file)