70 PERCENT LLSIL AND POVERTY GUIDELINES FOR 2016

EXECUTIVE SUMMARY

This policy provides the guidance and establishes the procedures regarding the 70 percent Lower Living Standard Income Level (LLSIL) for 2016 published by the Secretary of Labor in the *Federal Register* on March 25, 2016. This policy also issues the 2016 poverty guidelines published by the U.S. Department of Health and Human Services (HHS) in the *Federal Register* on January 25, 2016. This policy applies to all Local Workforce Development Areas (Local Areas) and is effective on their dates of publication in the *Federal Register*, March 25, 2016, and January 25, 2016, respectively.

This policy contains one state-imposed requirement, which is in **bold, italic** type.

This directive finalizes Workforce Services Draft Directive *70 Percent LLSIL Poverty Guidelines for 2016* (WSDD-143), issued for comment on May 9, 2016. The Workforce Development Community submitted two comments during the draft comment period. A summary of comments, including all changes, is provided in Attachment 2.

This policy supersedes Workforce Services Directive *70 Percent LLSIL and Poverty Guidelines for 2015* (WSD15-01), dated July 17, 2015. Retain this directive until further notice.

REFERENCES

- *Workforce Innovation and Opportunity Act* (WIOA) Sections 3(36), 127(b)(2)(C), 132(b)(1)(B)(v)(IV), and 134(d)(1)(A)(x)
- *Federal Register*, Volume 81, Number 58, "WIOA; LLSIL" (March 25, 2016)
- *Federal Register*, Volume 81, Number 15, "Annual Update of the HHS Poverty Guidelines" (January 25, 2016)

BACKGROUND

The WIOA Section 3(36)(A) sets the criteria Local Areas use in determining whether an individual is a low-income individual. These criteria include two sets of data: the poverty guidelines, as published by HHS, and 70 percent of the LLSIL, as determined by the Secretary of Labor. The Local Areas are to use the higher of these two measures to establish low-income

status for eligibility purposes of WIOA Title I programs. The WIOA requires annual revisions to both sets of data. All Local Areas use the same poverty guidelines. However, the LLSIL identifies maximum qualifying income levels for residents in either of two broad geographic designations: metropolitan and non-metropolitan areas. Metropolitan income levels apply to residents living within Metropolitan Statistical Areas (MSAs) as defined by the Office of Management and Budget. Non-metropolitan income levels apply to places with populations under 50,000. In addition to the broad metropolitan and non-metropolitan designations, the Department of Labor identifies three MSAs in California that have unique LLSILs: the San Diego MSA, the Los Angeles/Riverside/Orange County MSA, and the San Francisco/Oakland/San Jose MSA.

POLICY AND PROCEDURES

1. Select the appropriate table for use by your Local Area from the five tables in the attachment *(In those instances where a Local Area encompasses both metropolitan and non-metropolitan areas, the state has designated the higher of the LLSIL figures for use within the entire Local Area)*.

2. Use the higher of either the LLSIL or the poverty guideline for the appropriate family size to determine low-income status. A comparison of the applicant's actual family income during the six-month income determination period with the six-month figures on the charts enables the reviewer to immediately determine income status.

3. *Local Workforce Development Boards must set the criteria for determining whether employment leads to self-sufficiency. At a minimum, such criteria must provide that self-sufficiency means employment that pays at least 100 percent of the LLSIL established for a Local Area.*

ACTION

Notify all affected staff of the changes to the LLSIL and poverty guidelines in this directive.

INQUIRIES

If you have any questions, please contact your assigned Regional Advisor at 916-654-7799.

/S/ JOSÉ LUIS MÁRQUEZ, Chief
    Central Office Workforce Services Division

Attachments are available on the internet:

   1. 70 Percent LLSIL and Poverty Guidelines for 2016
   2. Summary of Comments