

# **DIRECTIVE**

**Date:** August 20, 2024 **Number:** WSD24-02



### **LLSIL** and Poverty Guidelines

## **Executive Summary**

This policy provides the guidance and establishes the procedures regarding the 70 Percent Lower Living Standard Income Level (LLSIL) and poverty guidelines for determining low-income status for the Workforce Innovation and Opportunity Act (WIOA) Title I eligibility. This policy applies to all Local Workforce Development Areas (Local Area) and is effective immediately.

This policy contains some state-imposed requirements. All state-imposed requirements are indicated by **bold**, **italic** type.

This Directive finalizes Workforce Services Draft Directive *LLSIL* and *Poverty Guidelines* (WSDD-259), issued for comment on July 10, 2024. The Workforce Development Community submitted no comments during the draft comment period.

This policy supersedes Workforce Services Directive 70 Percent LLSIL and Poverty Guidelines for 2023 (WSD23-02), dated August 22, 2023. This Directive remains active until further notice.

#### References

- WIOA (Public Law 113-128)
- Title 20 *Code of Federal Regulation* (CFR) Part 675: Introduction to the Regulations for the Workforce Development Systems Under Title I of the WIOA, Section 675.300
- Federal Register, US Department of Labor (DOL) (LLSIL Guidelines)
- Federal Register, US Department of Health and Human Services (HHS) (Poverty Guidelines)

## **Background**

The WIOA Section 3(36)(A) sets the criteria Local Areas must use to determine an individual's low-income status for the purpose of WIOA Title I program eligibility. These criteria include two sets of data: 70 percent of the LLSIL as published by the DOL and the poverty guidelines as published by HHS.

The WIOA requires annual revisions to the LLSIL and the poverty guidelines (WIOA Sections 3[36][B] and 3[49]). The HHS updates the poverty guidelines annually using information from

the Consumer Price Index for All Urban Consumers (CPI-U). All Local Areas in California use the same poverty guidelines. The DOL updates LLSILs annually by using the CPI-U to reflect cost of living increases. For LLSILs in California there are two broad geographic designations, West: Metro and West: Non-Metro areas. Additionally, the DOL identifies metropolitan statistical areas (MSA) in California that have unique LLSILs.

To accurately apply the LLSIL, Local Areas are categorized into different MSAs based on geographical designations. The Office of Management and Budget defines geographic designations, called Core Based Statistical Areas (CBSA), which include MSA, micropolitan statistical areas, combined statistical areas, and metropolitan divisions. The Employment Development Department (EDD) uses area delineations of the CBSAs to determine if a Local Area belongs in the West: Metro, West: Non-Metro, or one of the unique MSAs.

### **Policy and Procedures**

#### **Determining Low-Income Status**

For current LLSIL and poverty guidelines specific to California, refer to the EDD's Federal LLSIL and Poverty Guidelines webpage. This resource compiles data from the DOL and HHS and presents it in a format tailored for Local Areas. The website is updated annually when new data is available from the DOL and HHS.

Follow these steps to determine an individual's low-income status:

- 1. Select the appropriate MSA column for your Local Area.

  In those instances where a Local Area encompasses both West: Metro and West: Non-Metro areas, the state has designated the higher of LLSIL figures for use in the entire Local Area.
- 2. Use the higher of either LLSIL or the poverty guidelines for the appropriate family size to determine low-income status (WIOA Section 3[36][A][ii] and Title 20 CFR 675.300).

#### **Setting Self-Sufficiency Standards**

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 is achieved when employment pays at least 100 percent of the LLSIL for a Local Area (WIOA Section 134[a][3][A][xii]).

Local Areas may adopt, calculate, or commission for approval economic self-sufficiency standards (WIOA Section 134[d][1][A][x]).

### Action

Bring this Directive to the attention of all appropriate staff and other relevant parties.

# **Inquiries**

If you have any questions, contact your assigned Regional Advisor.

/s/ JAVIER ROMERO, Deputy Director Workforce Services Branch

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