



**DEPARTMENT OF WORKFORCE
INVESTMENT**

Self-Sufficiency Wage Policy

TO: Service Providers

EFFECTIVE: 2/16/2017

SUBJECT: Self-Sufficiency Policy

REFERENCES:

- Workforce Innovation and Opportunity Act (WIOA) Section 134 et seq.
- 20 CFR § 680.210 et seq.
- 20 CFR § 682.210 et seq.

PURPOSE:

The purpose of this policy is to define the level of economic self-sufficiency to be used as an eligibility condition for providing training services to adults and dislocated workers.

BACKGROUND:

The Workforce Innovation and Opportunity Act of 2014 (WIOA) requires that local workforce boards set the self-sufficiency criteria for determining whether an adult or dislocated worker needs training services to obtain or retrain employment leading to self-sufficiency (20 CFR § 690.210) This self-sufficiency standard is used to determine eligibility for training services only.

The regulation provides maximum flexibility, requiring only that self-sufficiency means employment that pays at least 100% of the Lower Living standard Income Level (LLSIL). The self-sufficiency wage for adults is based on a formula from the California Budget Project that allows for family size and cost of living in Merced County to include housing and utilities, food, transportation, childcare and healthcare. The Rule allows self-sufficiency for a dislocated worker to be defined in relation to a percentage of the lay-off wage, but in no event less than the adult self-sufficiency wage.

This self-sufficiency criterion is not attached to a determination of an exit wage or a livable wage standard.

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POLICY:

- For adult eligibility for training services, an individual shall be considered self-sufficient if the family income exceeds 70% of the Lower Living Standard Income Level for the applicable program year.
- In order for an adult to be considered eligible for training services, the household income must not meet the definition of self-sufficiency.
- The self-sufficiency wage for dislocated workers is at 85% of the individual's dislocation (layoff) wage but in no event less than the adult self-sufficiency wage.
- This policy neither impacts nor changes the intent of Priority of Service System for Adults.
- The self-sufficiency wage will be based on full-time employment, which is an individual working 40 hours/week, 52 weeks/year of work.
- Direct that self-sufficiency wage(s) shall be reassessed at least once per year.
- Candidates for training programs in the WDB-adopted industry sectors as well as the Training Program are exempt from this policy. Applicants, who are employed within the WDB-adopted industry sectors, and seeking upgrade services and/or other employment within their sectors, will be exempt from this policy. WDB-adopted industry sectors are as follows:
 - Agribusiness, including Food processing, Agricultural Technology, and Biotechnology;
 - Construction and Public Infrastructure;
 - Manufacturing;
 - Transportation and Logistics;
 - Health and Medical Care;
 - Renewable Energy; and,
 - Water technology, including water conservation.

ACTION:

The Department of Workforce Investment shall follow this policy. This policy shall remain in effect from the date of issue until such time a revision is required.

ADDITIONAL TOOLS:

To utilize the interdepartmental self sufficiency wage calculator, please enter the following link:

<http://autoform.worknet.mcdwi/selfsufficiencywage/sswinput.cfm>

Revised: February 16, 2016

Responsible Official: Program Management

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