

# **Self-Sufficiency**

Department: Office of Economic & Workforce Development Effective Date: July 1, 2012

Directive # 31-12 Supersedes: 31-07

### **PURPOSE**

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

#### **REFERENCES**

- Workforce Investment Act (WIA)Title 1 Section 134(d)
- 20 Code of Federal Regulations Part 652, WIA Final Rule Section 663.230
- 20 Code of Federal Regulations Part 652, WIA Final Rule Section 663.220(b)
- The Self-Sufficiency Standard for California, October 2011
- Employment Development Department (EDD) Directive WSD11-2, Subject: 2011 70 Percent LLSIL and Poverty Guidelines, July 5, 2011

#### **BACKGROUND**

The Workforce Investment Act of 1998 (WIA) requires that local workforce boards set the self-sufficiency criteria for determining whether an employed worker needs intensive services to obtain or retain employment leading to self-sufficiency (20 CFR 663.230). This self-sufficiency standard is used to determine eligibility for services.

The regulation provides maximum flexibility, requiring only that self-sufficiency mean employment that pays at least 100% of the Lower Living Standard Income Level (LLSIL). The Rule allows self-sufficiency for a dislocated worker to be defined in relation to a percentage of the lay-off wage.

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

The elements considered in determining the local definition of economic self-sufficiency include family size, housing, food, utilities, childcare, transportation, health care, clothing, taxes and tax credits.

#### **POLICY**

- An employed adult shall be considered self-sufficient if the family income exceeds 200% of the current LLSIL, or the California Self Sufficiency Standard for the family type as defined in the Self Sufficiency Standard for California, (D. Pierce, PhD with J. Brooks, 2011), whichever is higher.
- In order for an employed worker to be considered in eligible for intensive and/or 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.

## **INQUIRIES**

Inquiries should be addressed to the OEWD Director of Operations at 415-701-4848 or workforce.development@sfgov.org.

OEWD and its service providers shall follow this policy. This policy will remain in effect from the date of issue until such time that a revision is required.