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Governor

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STATE INSTRUCTION NUMBER 14-08

TO: Local Workforce Area Signatory Officials
Local Workforce Area Administrators

SUBJECT: Updated Federal Income Guidelines

ISSUANCE DATE: April 30, 2015

EFFECTIVE DATE: Immediately

PURPOSE: To transmit updates to federal income guidelines used in establishing eligibility for WIA participation and/or specific WIA services.

REFERENCES: Workforce Investment Act Section 101(25); Federal Register, Volume 80, Issue 59, March 27, 2015, *US Department of Labor Lower Living Standard Income Level*; and Federal Register, January 22, 2015, *Department of Health and Human Services Annual Update of the HHS Poverty Guidelines*.

BACKGROUND: Annually, the US Department of Labor (USDOL) determines the Lower Living Standard Income Level (LLSIL). Likewise, the Department of Health and Human Services (HHS) updates the poverty guidelines. The LLSIL and poverty guidelines are used for several purposes in Workforce Investment Act (WIA) programs, including determinations of program eligibility, self-sufficiency, and needs-related payments.

POLICY: **Program Eligibility** – WIA defines the term “low income individual” using various criteria, including receipt of income that does not exceed the higher level of the poverty line or 70 percent of the LLSIL. Attachment A, *WIA Family Income Guidelines*, incorporates the most recent updates to the USDOL issued 70 percent LLSIL and the HHS issued poverty levels. These guidelines apply when using income as the determining criteria for “low income individuals”.

Self Sufficiency – WIA allows employed adults and dislocated workers to receive intensive services and training to obtain or retain self-sufficient employment. Each Local Workforce Investment Board (LWIB) sets “self-sufficiency” criteria. At a minimum, such criteria must provide “that self-sufficiency means employment that pays at least 100 percent of the LLSIL” based on family size and income. (Self-sufficiency for dislocated workers may be defined in relation to a percentage of the layoff wage.) Attachment B, *WIA Self-Sufficiency Guidelines*, represents updated 100% LLSIL amounts by family size. These guidelines, along with LWIB criteria, are to be used in establishing self-sufficiency.

Needs-Related Payments – For Adult and Dislocated Worker participants, WIA allows financial assistance for the purpose of enabling individuals to participate in training. Payment levels for any WIA participants receiving needs-related payments (Adults or Dislocated Workers) are established by each Local Workforce Investment Board. In determining the level of needs-related payments for Dislocated Workers, payments may not exceed the greater of either:

- the applicable weekly level of unemployment compensation benefit; or
- the poverty level for an equivalent period. (This amount must be adjusted to reflect changes in total family income.)

Attachment C, *Poverty Level Guidelines*, represents updated HHS poverty levels for use in determining needs-related payment amounts for Dislocated Workers.

ACTION:

- You are responsible for the distribution and implementation of this policy guidance within your local workforce system.
- Replace State Instruction 13-04, *Updated Federal Income Guidelines*, with this State Instruction.
- Review all WIA eligibility determinations made since March 27, 2015, applying the attached guidelines.
- Use the attached guidelines for future eligibility determinations under WIA.

INQUIRY: Questions regarding this instruction may be directed to Mary jo Schmick at 803-737-2708 or mschmick@dew.sc.gov.



Patricia Sherlock, Director
Policies and Procedures

Attachments

**WIA FAMILY INCOME GUIDELINES
FOR SOUTH CAROLINA**
(Effective March 27, 2015)

<u>Size of Family Unit</u>	<u>Non-Metro</u>	<u>Metropolitan*</u>
1	11,770	11,770
2	15,930	15,930
3	20,149	21,821
4	24,873	26,939
5	29,353	31,795
6	34,327	37,186
7	39,301	42,577
8	44,275	47,968

For families larger than 8, add for each additional person in the family:
\$4,974 for non-metropolitan \$5,391 for metropolitan

NOTES

*The metropolitan areas of South Carolina include the following counties: Aiken, Anderson, Berkeley, Calhoun, Charleston, Darlington, Dorchester, Edgefield, Fairfield, Florence, Greenville, Horry, Kershaw, Lexington, Laurens, Pickens, Richland, Saluda, Spartanburg, Sumter, and York.

The 70 percent Lower Living Standard Income Level (LLSIL) and the Poverty Guidelines are used under WIA for eligibility purposes. WIA defines the term "low income individual" as one who qualifies under various criteria, including an individual who received income for a six-month period that when annualized, does not exceed the higher of the poverty level or 70 percent of the lower living standard income level.

These guidelines incorporate the latest 70% LLSIL from the U. S. Department of Labor and poverty levels from the U. S. Department of Health and Human Services. The figure for a particular family size is the maximum household income the individual is permitted in order to qualify as low income under WIA. This issuance supersedes all previously issued Family Income Guidelines. The Family Income Guidelines are updated periodically when national guidelines change. It is important that the previous copies of the guidelines are kept and are not discarded. The older versions, for example, would be used to review income levels in effect at the time an individual originally applied for WIA.

Use to determine an individual's Low-Income Status for WIA services.

WIA SELF-SUFFICIENCY GUIDELINES
2015 100% LLSIL
FOR SOUTH CAROLINA
(Effective March 27, 2015)

<u>Size of Family Unit</u>	<u>Non-Metro</u>	<u>Metropolitan*</u>
1	12,802	13,861
2	20,972	22,711
3	28,784	31,172
4	35,533	38,485
5	41,932	45,422
6	49,038	53,122
7	56,144	60,822
8	63,250	68,522

For families larger than 8, add for each additional person in the family:
\$7,106 for non-metropolitan **\$7,700 for metropolitan**

NOTES

*The metropolitan areas of South Carolina include the following counties: Aiken, Anderson, Berkeley, Calhoun, Charleston, Darlington, Dorchester, Edgefield, Fairfield, Florence, Greenville, Horry, Kershaw, Lexington, Laurens, Pickens, Richland, Saluda, Spartanburg, Sumter, and York.

Under WIA, 100 percent of the LLSIL is used to determine self-sufficiency as noted at 20 CFR, Part 663.230 and WIA section 134(d)(3)(A)(ii). The USDOL 100% LLSIL is updated periodically when national guidelines change. It is important that the previous copies of the guidelines are kept and are not discarded. The older versions, for example, would be used to review income levels in effect at the time an individual originally applied for WIA.

WIA allows employed adults and dislocated workers to receive intensive services and training to obtain or retain self-sufficient employment. Each Local Workforce Investment Board (LWIB) sets “self-sufficiency” criteria. At a minimum, such criteria must provide “that self-sufficiency means employment that pays at least 100 percent of the LLSIL” based on family size and income. (Self-sufficiency for dislocated workers may be defined in relation to a percentage of the layoff wage.) Attachment B, *WIA Self-Sufficiency Guidelines*, represents updated 100% LLSIL amounts by family size. These guidelines, along with LWIB criteria, are to be used in establishing self-sufficiency.

Use to determine an individual’s Self-Sufficiency Status for WIA services.

**POVERTY LEVEL GUIDELINES
FOR
SOUTH CAROLINA**
(Effective January 22, 2015)

<u>Size of Family Unit</u>	<u>Income</u>
1	11,770
2	15,930
3	20,090
4	24,250
5	28,410
6	32,570
7	36,730
8	40,890

For families larger than 8, add **\$4,160** for each additional person in the family.

The poverty guidelines are used to determine eligibility for dislocated workers who are in need of financial assistance (Needs-Related Payments) to participate in training programs under WIA. Section 663.840 of the WIA Regulations indicates the level of needs-related payments is determined by the following:

- (a) The payment level for adults must be established by the Local Board.
- (b) For dislocated workers, payments must not exceed the greater of either of the following levels: (1) For participants who were eligible for unemployment compensation as a result of the qualifying dislocation, the payment may not exceed the applicable weekly level of the unemployment compensation benefit; or (2) For participants who did not qualify for unemployment compensation as a result of the qualifying layoff, the weekly payment may not exceed the poverty level for an equivalent period. The weekly payment level must be adjusted to reflect changes in total family income as determined by Local Board policies (WIA sec. 134(e)(3)(C)).

The poverty guidelines are issued each year by the Department of Health and Human Services (HHS). It is important that the previous copies of the guidelines are kept and are not discarded. The older versions, for example, would be used to review income levels in effect at the time an individual was determined to be eligible to receive financial assistance (Needs-Related Payments) under WIA.

Use to determine Needs-Related Payments for Dislocated Workers for WIA services.