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# Self-Sufficiency Standard

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## PURPOSE

The purpose of this policy is to provide guidance and establish the self-sufficiency standard for Workforce Innovation Opportunity Act (WIOA) Adults and Dislocated Workers.

## BACKGROUND

In accordance with WIOA Section 134(c)(3)(A)(i), individuals who receive training must be unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services alone. Additionally, they must be in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment. Under WIOA sec. 134(d)(1)(A)(x) local areas have the flexibility to adjust the State standard for economic self-sufficiency for local considerations.

## POLICY

Pacific Gateway has adopted a self-sufficiency model that is to be utilized in determining eligibility for WIOA Adult and Dislocated Worker customers in need of training services to obtain or retain employment that leads to self-sufficiency.

### Self-Sufficiency Standard

In previous years, Pacific Gateway's self-sufficiency standard was based on The Self-Sufficiency Standard for California (Diana Pierce and Wider Opportunities for Women) produced by the National Economic Development and Law Center (2003), as well as the Lower Living Income Standard (LLSIL) annually updated by the Department of Health and Human Services. Though generally helpful, the formula was not an accurate measure of working families' actual income needs.

Beginning July 1, 2015, self-sufficiency has been based on the "Basic Family Wage" income levels for Los Angeles County enumerated in the report from the California Budget Project, *Making Ends Meet: How much Does It Cost to Raise a Family in California*. The report estimates typical costs of housing and utilities, child care, transportation, food, health coverage, payroll and income taxes, and miscellaneous expenses for four hypothetical families: a single adult, a single working parent with children, a two parent family with children and one working parent, and two working parents with children. By limiting the self-sufficiency model to four scenarios, the eligibility determination process is simplified.

As of December 2013, the Basic Family Wage levels for Los Angeles County were:

|                      | <u>Monthly</u> | <u>Annual</u> |
|----------------------|----------------|---------------|
| Single Adult         | \$2,237        | \$32,844      |
| Single Parent Family | \$6,462        | \$77,456      |

|                                     |         |          |
|-------------------------------------|---------|----------|
| Two Parent Family (One Working)     | \$5,198 | \$62,382 |
| Two Parent Family (Combined Income) | \$6,963 | \$83,561 |

**REFERENCES**

- WIOA Section 134(c)(3)(A)(i) and 134(d)(1)(A)(x)
- Title 20 CFR 680.210

**INQUIRIES**

For questions or assistance related to this policy, please contact Pacific Gateway Workforce Investment Network staff at (562) 570-3748.

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