

ACTION BULLETIN

TO: All Workforce Innovation and Opportunity Act (WIOA) Funded Service Providers

DATE: June 3, 2021

SUBJ: **Workforce Innovation and Opportunity Act (WIOA) Adult Self-Sufficiency Wage Threshold Policy**

PURPOSE OF BULLETIN:

This bulletin communicates the new Self-Sufficiency Wage Threshold Policy that is to be applied to WIOA Adult applicants if they are employed at the time they apply for WIOA services.

CITATIONS:

- Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128, enacted July 22, 2014
- Workforce Innovation and Opportunity Act Regulations, 20 CFR Parts 680

BACKGROUND:

In 2005, under the Workforce Investment Act (WIA), the Alameda County Workforce Investment Board (ACWIB) adopted a policy which prohibited enrollment into the WIA Adult program for applicants who were employed on the date of application and earning a wage that exceeded \$24.10 per hour.

The WIA [federal legislation that preceded the Workforce Innovation and Opportunity Act (WIOA)], called for such a restriction, but allowed each Local Area the flexibility to define their own self-sufficiency threshold based on local labor market and cost-of-living statistics.

WIOA does not mandate such restrictions. However, in the interest of continuing to ensure that WIOA provides support and services to individuals most in need, the Alameda County Workforce Development Board (ACWDB) is updating the Self-Sufficiency Wage Threshold Policy.

ACWDB's Self-Sufficiency Wage Threshold Policy is not intended to guide employers in establishing living wages for their employees. This policy should be used in ensuring that WIOA programs are made available to those most in need or those who may be considered underemployed.

The recommended update to the existing Self-Sufficiency Wage Threshold policy was determined by referencing two sources:

- 1) the [Public Policy Institute of California](#); and
- 2) The Online Living Wage Calculator tool presented by the Massachusetts Institute of Technology's (MIT), Housing, Community and Economic Development Group

Using these two tools – and averaging the results have lead to a determination that the new threshold should be set as follows:

\$35.11 per hour.

The Alameda County Workforce Development Board approved this adjustment to the Self-Sufficiency Wage Threshold Policy at their May 13, 2021 meeting.

POLICY:

Effective July 1, 2021, applicants who are employed on the date they apply for WIOA-funded services must fall into one of the following three categories:

1. They qualify for WIOA-funded services based on Dislocated Worker eligibility criteria;
or
2. They are earning a wage below \$35.11 per hour; or
3. They are earning a wage at or above \$35.11 per hour and qualify as “Underemployed” based on the definition as stated below.

DEFINING “UNDEREMPLOYED”:

For the purposes of this policy ACWDB is defining “underemployed” as follows:

Individuals who are employed on the date they apply for WIOA-funded services – and are earning a wage at or above \$35.11 per hour, but fall into one of the following three categories:

1. They are employed part-time (less than 30 hours per week)
2. They are employed on a temporary, project, or contract basis
3. They are employed in an entry-level position that may be considered “stop-gap” in that the job is not in their regular career field or is not compensating them at a level to which they had become accustomed based on their prior work history.

See the “Procedure” section below for guidance on how to proceed when an individual has been determined ineligible based on their wage and/or employment status.

PROCEDURE:

Any individual or organization responsible for carrying out eligibility determination for WIOA-funded career and/or training services must apply the policy as referenced above – and maintain adequate documentation within the participant casefile verifying either:

1. The current hourly wage of the employed applicant on the date of application (for individuals earning an hourly wage below \$35.11); or
2. The conditions that exist entitling the applicant to be determined underemployed on the date of application (for individuals earning at or above \$35.11 per hour).

Note that self-attestation may be used for verification of the applicant's status when hard copy documentation is not available. Please consult your assigned Workforce Technician for guidance regarding verification of WIOA eligibility.

Employment information presented by the applicant demonstrating their employment status – and qualifications as underemployed, must be entered into the Employment History section of the WIOA application in the CalJOBS system.

Individuals who do not meet the requirements as outlined in this definition, will be determined ineligible to enroll into WIOA-funded programs, but will continue to be able to access universal/basic career services that do not require enrollment into the WIOA program.

If an individual is determined ineligible based on their employment status and hourly wage, they must be referred to other resources for career services within the communities where they reside.

These WIOA-ineligible individuals may also be advised that they may be eligible for WIOA-funded services if they experience a change in their employment status and/or wage – at which time they will be allowed to submit a new application.

ACTION:

All WIOA Career Service Providers, including the designated America's Job Center of California (AJCC), the Career Services Collaborative Lead – and any sub-contractors and/or partners responsible for the determination of WIOA eligibility must maintain eligibility documentation and verification in the casefile that is sufficient to guard against serving ineligible applicants.

For information and inquiries please contact:

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